

DOCKET SECTION

BEFORE THE  
POSTAL RATE COMMISSION  
WASHINGTON, D.C. 20268-0001

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OFFICE OF THE CONSUMER ADVOCATE

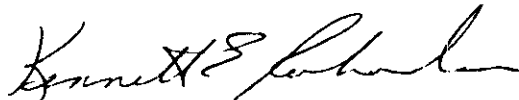
Postal Rate and Fee Changes, 1997 )

Docket No. R97-1

ANSWERS OF THE OFFICE OF THE CONSUMER ADVOCATE  
TO INTERROGATORIES OF UNITED STATES POSTAL SERVICE  
WITNESS: PAMELA A. THOMPSON (USPS/OCA-T100-24-25)  
(JANUARY 28, 1998)

The Office of the Consumer Advocate hereby submits the answers of Pamela A. Thompson to interrogatories USPS/OCA-T100-24-25, dated January 14, 1998. Each interrogatory is stated verbatim and is followed by the response.

Respectfully submitted,



KENNETH E. RICHARDSON  
Attorney  
Office of the Consumer Advocate

ANSWERS OF OCA WITNESS PAMELA A. THOMPSON  
TO INTERROGATORIES USPS/OCA-T100-24-25

USPS/OCA-T100-24. Please refer to OCA-LR-4, pages 56-64 which contain the code listing for PESSA96P.FAC. The highlighted lines are the "changes made in the Commission's template to produce the OCA's R97-1 PESSA file."

(a) Please confirm that there are 335 total lines of code listed. If this is not confirmed, please provide the correct total.

(b) Please confirm that there are 162 lines of code that were changed. If this is not confirmed, please provide the number of lines that were changed.

(c) Assuming that parts a and b are confirmed, please confirm that 48% of the lines were changed.

(d) Please provide all analyses performed to arrive at the decision to change these particular lines. Please provide copies and documentation of all programming analyses, all tests performed, all edits, all hypotheses tested and an estimate of the amount of time expended for each of the stages of the analysis.

A. (a) Confirmed.

(b) Confirmed.

(c) Confirmed.

(d) I ran the updated version of the Commission's cost model with copies of the Commission's Docket No. MC96-3 files. When the results did not replicate the Postal Service's data, I began comparing the information provided in USPS-T-5, Workpaper A with the information contained in the OCA factor files. I converted Postal Service components into PRC component numbers and edited the instructions in my "factor" files until the instructions replicated the information provided by the Postal Service in USPS-T-5, Workpaper A. I did not keep copies of intermediate printouts. I did not keep a record of the time spent editing instructions.

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USPS/OCA-T100-25.      Please refer to pages 64-67 of OCA-LR-4.

(a) It is indicated that Postal Service "variabilities are rounded to the nearest tenth of a percent", so OCA performed the following calculations. "[E]quipment and capital factor variabilities" are "manually calculated from Postal Service information. USPS-T-5, Workpaper A-3 at 19-26.1", and "square footage and rental variabilities" are "calculated from information provided in USPS-T-5, Workpaper A-3 at 3-16.1".

1. Did you examine the variabilities that were actually used in the Postal Service's model, for example, whether or not the Postal Service variabilities are rounded to tenths, hundreds, thousands, etc.? If the response is affirmative, please provide complete citations to the Postal Service documents that contain this information. If the response is anything other than affirmative, please provide all reasons why such an examination was not undertaken.

2. Please provide all the analyses performed to decide which variabilities would be used in the OCA model. Please provide copies and documentation of all programming analysis, all tests performed, all edits, all hypotheses tested and an estimate of the amount of time expended for each of the stages of the analyses.

(b) Please refer to the statements found on page 65: "[t]wo statements 'nk,2174,902,3,7,24,29' and 'la,2328,2153,159,2174,v' highlighted above are deleted from PESSA96P.FAC. The statements are not needed in this docket." Please provide a complete explanation of why these statements are not needed in this docket. In your explanation, please address what has changed in the Postal Service model to allow the statements to be deleted and provide complete citations to the Postal Service documents containing this information.

(c) Please refer to the following statements on page 65: "[t]he statement 'xs,2177,21,601 ,...,604,701,...,713, 901,902,1001,1002' and 'fm,176,2177,1' build the factor identified as 176. Factor 176 is subsequently used as a distribution key for the statement 'la,2242,2199,43,2141,b,176. See USPS-T-5, Workpaper A-3 at 15-16.1."

1. Please confirm that not one of the components listed in: "601 ,...,604,701,...,713, 901,902,1001,1002" appears on pages 15-16.1 of USPS-T-5, Workpaper A-3.

2. If the response to part 1 is confirmed, please fully explain how the citation

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to USPS-T-5, Workpaper A-3 adds to the understanding of the OCA's program coding for those lines.

3. Regardless of whether the response to part 1 is confirmed, if possible, please provide the citation to the pages in Postal Service documents containing the information that would be helpful in understanding OCA's programming code on these lines.

(d) Refer to the statement on page 66: "Due to internal program memory limitations, some PESSA96P.FAC statements refer to segment 22 components previously used....BY96LP.LR printout of segment 22 shows the results of the last calculations performed and stored in each component (see tab BY96LP.LR)."

1. Has this "memory limitation" caused any programming or execution problems with the Commission's model? If the response is affirmative, please explain in detail how the problems were solved and provide an estimate of how much time was expended solving these problems. If the response is anything other than affirmative, was the statement made solely to indicate the possibility of a problem?

2. Has there been any study to determine whether or not the "memory limitation" will cause any programming or execution problems in the future? If the response is affirmative, please provide all analyses, documentation and an estimate of the amount of time spent studying this issue. If the response is anything other than affirmative, please provide an explanation of why the decision was made that this issue need not be addressed.

3. Please confirm that the results of all program executions prior to the final one are lost and cannot be viewed in BY96LP.LR or elsewhere in OCA-LR-4.

(e) Please confirm that, in the first sentence of the second full paragraph on page 67, the reference should be to "component 1820" rather than "segment 1820."

(f) Please refer to the statement on page 67 that: "the Commission's single-subclass stop costing methodology is not incorporated. Therefore, component 705 has a value of zero. Running the Commission's cost model program with the "la,2279,2006,170,705,a" statement generates a program error message."

1. Were there any other error messages that were generated at this stage of

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processing the OCA's cost model? If the response is affirmative, please provide a list of all error messages generated.

2. Did the presence of component 705 cause any error messages to be generated anywhere else in the OCA's cost model, whether in the base year or the rollforward years? If the response is affirmative, please provide a list of all error messages resulting from the presence of component 705, and provide citations to where they occurred in the program. If the response is anything other than affirmative, please provide an explanation of why there were no other errors, for example, in the case of piggybacks.

3. Was any analysis performed at the time OCA-LR-4 was being produced to study if there were any other cause(s) of these error(s) besides, or in addition to, component 705? If the response is affirmative, please provide copies and documentation of all tests performed, all hypotheses tested and an estimate of the amount of time expended for each of the stages of the analysis. If the response is anything other than affirmative, please explain in detail the reasons why it was decided that component 705 was the cause of all the error messages.

4. Was any analysis performed to understand how much time would be devoted to incorporating the Commission's single-subclass stop costing methodology into the OCA's model after this methodology was removed to replicate the Postal Service's results? If the response is affirmative, please provide an estimate of that amount of time.

A. (a) 1. & 2. I initially used the percentages provided in USPS-T-5, Workpaper A-3 at 19-26.1, in the section labeled "Column Source". Examining the number of significant digits maintained by the Postal Service in its model was not necessary for purposes of my testimony and would have been too time consuming given the time constraints I was operating under.

(b) When I initially ran the updated version of the Commission's cost model, the two lines of code referenced in the interrogatory appeared in the file. When I was

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writing OCA-LR-4, I did not know what function the "nk" statement performed.

Therefore, I removed the "nk" and "la" statements to see what impact they had on the updated cost model. No impact was noted; therefore, I deleted the two lines from the file. I did not determine what, if any, changes occurred in the Postal Service's model.

(c) 1. - 3. At page 60 of OCA-LR-4, the statement "xs,2177,21,601,...,1002" and "fm,176,2177,1" is followed by the statement "la,2242,219,43,2141,b,176". The factor 176 is used in the "la,2242,..." statement by the cost model program to replicate the information provided in USPS-T-5, Workpaper A-3 at 15-16.1, Postal Service component 942, "Accountables Cage."

(d) 1. & 2. Please see the response to USPS/OCA-T100-9(c) and (d). By isolating each year's data in separate subdirectories, I was able to reuse a few segment 21 cost components for FY 97. The components reused are noted in the OCA-LR-6 documentation.

3. Not confirmed. The results of the calculations performed in segment 22 can be viewed by limiting the number of statements the program is given to execute at any one time. After results have been verified, more statements can be added. The process may be repeated as often as required. Not all segment 22 results may be viewed at one point in time.

(e) Confirmed.

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(f) 1. & 2. I did not keep a log of error messages, therefore I am unable to answer what other error messages may or may not have been generated.

3. No. If I removed a statement and the program ran successfully, I assumed the component with a zero value generated the error message.

4. No.

## DECLARATION

I, Pamela A. Thompson, declare under penalty of perjury that the answers to interrogatories USPS/OCA-T100-24-25 of the United States Postal Service are true and correct, to the best of my knowledge, information and belief.

Executed

January 28, 1998

Pamela A. Thompson



CERTIFICATE OF SERVICE

I hereby certify that I have this date served the foregoing document upon all participants of record in this proceeding in accordance with section 12 of the rules of practice.

A handwritten signature in black ink, appearing to read "Kenneth E. Richardson". The signature is fluid and cursive, with the first name "Kenneth" and last name "Richardson" clearly distinguishable.

KENNETH E. RICHARDSON  
Attorney

Washington, DC 20268-0001  
January 28, 1998